

**U.S. DEPARTMENT OF TRANSPORTATION
TRANSPORTATION SECURITY ADMINISTRATION
Office of Human Resources Management
Washington, DC 20590**

Date: November 20, 2002

SUBJECT: Interim Policy on Advances in Pay



**FROM: Vicki G. Brooks
Director
Office of Human Resources Management**

Attached is our interim policy on Advances in Pay. This policy replaces previously issued guidance, and now requires all advances of \$500 or more to be approved by the Associate Under Secretary for Finance and Administration.

If you have any questions concerning this policy, please contact Jan Karicher on (202) 385-1234.

**U.S. DEPARTMENT OF TRANSPORTATION
TRANSPORTATION SECURITY ADMINISTRATION
HUMAN RESOURCES MANAGEMENT POLICY**

HRM LETTER NO. 550 - 1

DATE: November 19, 2002

SUBJECT: Interim Policy on Advances in Pay

Coverage

Generally, an advance in pay may be authorized, in one or more installments covering up to two pay periods, to an employee who:

1. is either newly appointed (i.e., the first civilian appointment in the Federal Government), or on a subsequent appointment after a break in Federal service of at least 90 days;
2. is under an appointment not limited to one year or less; and
3. has a scheduled tour of duty.

An advance in pay may not be paid until **after** an individual is appointed.

Amount

The payment may not exceed seventy percent (70%) of what would be earned during the period represented by the advance. For example, if a one-pay-period advance is approved, the actual amount received by the individual will be equal to seventy percent (70%) of the gross pay he or she would receive during a single pay period.

In special situations, such as training periods in preparation for testing which will determine the individual's employment, an individual may receive an advance in pay of no more than the lesser of one pay period's basic pay, or the total pay that would be received during the training period.

Determinations

An advance payment must be based on a written determination, made no later than 7 calendar days after appointment, that acceptance of the position may create a temporary financial hardship without an advance.

Factors to consider in making such a determination include, but are not limited to:

1. Whether acceptance of the offered position will require a temporary or permanent change in commuting area;
2. Whether a permanent or temporary change in residence is involved; or
3. What the applicant's employment status is at the time the offer of Federal employment is made; e.g. the applicant is unemployed or employed on a part-time basis with limited income.

Processing Procedures

1. Approvals. The head of an employing office shall be the approving official for advance payments under \$500. The Associate Under Secretary for Finance and Administration shall be the approving official for advance payments of \$500 or more. Requests for advances of \$500 or more must be faxed to the Associate Under Secretary for Finance and Administration (AUSFA) for approval. Requests submitted to the AUSFA must include the exact amount of the advance payment requested.

2. Processing Approved Requests. If the request for advance payment is approved, the originating official or designee shall:

- a. Provide the employee with a completed copy of the attached statement of understanding that must be signed by the employee and returned to the originating official or a designee prior to payment.
- b. Upon receipt of the signed statement of understanding, the originating official or designee will:
 - (1) Sign and date the statement of understanding and enter the appropriate accounting classification code;
 - (2) Forward the original statement to the operating human resources office for inclusion in the employee's official personnel folder;
 - (3) Provide the FAA Aeronautical Center, AMZ-120, PO Box 25082, Oklahoma City, OK, 73125-0082, a copy of the approved statement of understanding and a statement reflecting:
 - (a) The date on which the employee is to reported for duty; and
 - (b) The four line address of the office and the name of the individual responsible for forwarding the advance payment check to the employee:

Line 1 – Name of Payee
Line 2 – C/O Name of individual responsible for holding check, operating administration abbreviation and routing symbol (35 characters maximum)
Line 3 – Organization Street Address
Line 4 – City, State, and Zip Code.
 - (4) Provide the employee with a copy of the approved statement of understanding.

Repayment

Unless repayment is waived, in whole or in part, under the provisions provided below, the Transportation Security Administration (TSA) shall recover an advance in pay by installments under established payroll deduction procedures. An employee may repay an advance in pay at anytime before final payment is due by increasing his or her payroll deduction.

The originating official or designee shall establish a repayment period for each employee, not to exceed thirteen (13) pay periods from the date of the employee's appointment. If collection is made under established salary offset guidelines, a longer period of repayment is permissible, if necessary, to avoid exceeding the fifteen percent (15%) deduction limitation.

If an employee transfers out of the Department of Transportation, or is separated for any reason, the remaining balance of the advance is due and must be repaid unless repayment is waived, in whole or in part, under the provisions provided below.

TSA has decided that any remaining balance of an advance in pay that has not been waived or repaid by an employee upon transfer or separation must be recovered using the salary offset procedures of Subpart K, Part 550, Title 5, Code of Federal Regulations. TSA is responsible for collecting any debt.

Waiver

A request for waiver of indebtedness may be considered, and must be sent to the US Department of Transportation, Director, TSA Office of Human Resources Management, TSA -14, 400 7th St. SW, Washington, DC 20590. After review, the request will be forwarded to the Associate Under Secretary for Finance and Administration for final decision. Waiver in whole or in part may be granted only after a determination is made that recovery would be against equity and good conscience or against the public interest.



Robert W. Gardner
Associate Under Secretary for
Finance and Administration

Attachment

Filing Instructions: File with HRM 550 Letters, Bulletins and Guidance

Distribution: TSA affiliated HR Offices, Associate Under Secretaries, Office Directors

POC: TSAHR/Jan Karicher/(202)-385-1234